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September 21, 2009

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Ex Parte: A National Broadband Plan for Our Future, GN Docket No. 09-51

Dear Ms. Dortch:

On September 17, 2009, Mitch Bowling, Senior Vice President and General Manager of Online Services and Operations; Paul Hockenbury, Senior Director of Market Research; Kathy Zachem, Vice President of Regulatory and State Legislative Affairs; and the undersigned, all representing Comcast Corporation ("Comcast"), together with Ryan G. Wallach and Daniel K. Alvarez of Willkie Farr & Gallagher LLP, met via conference call with Brian David, John Horrigan, Peter Bowen, Mukul Chawla, Jennifer Flynn, Shawn Hoy, Ellen Satterwhite, and Jessica Strott to discuss the Commission's efforts to develop a National Broadband Plan and the important role that adoption will play in the formulation and execution of the Plan.

Mr. Bowling described generally the efforts Comcast undertakes to drive more consumers to subscribe to Comcast's High-Speed Internet ("HSI") service. He outlined the four areas where Comcast believes the Commission or other federal government agencies could undertake efforts, in coordination with the private sector, that could have a dramatic effect on maximizing adoption and utilization of broadband Internet services: personal computer ("PC") penetration, digital literacy, fear of technology, and relevance. He went on to explain that in Comcast's experience, the primary obstacles to broadband adoption by those who have never subscribed before are issues like relevance, lack of access to a PC, the availability of alternative means to access the Internet (such as from work or school, or via Wi-Fi hotspots), and fear of technology (usually expressed in terms of security and privacy concerns). He pointed out that Comcast's experience conforms with third-party research finding that neither availability nor price are major factors for most consumers who have not adopted broadband.

Mr. Bowling also described some of Comcast's efforts to encourage these consumers to subscribe to Comcast's HSI service. For example, he noted our outreach efforts to the Hispanic community through our Spanish-language homepage, <http://comcast.terra.com/>, as well as offering Spanish-language self-install kits and making available technicians and customer service representatives with Spanish-language proficiency. He referenced our outreach efforts to seniors, and noted that Comcast has offered McAfee security software free of charge for many years to address the concerns of those for whom security is a major obstacle. Mr. Bowling and

Mr. Hockenbury also noted that Comcast tries to increase the value proposition for consumers by bundling the HSI service with video and Comcast Digital Voice service – and now with wireless service in certain markets – to attract those consumers who may value other services more but see the added value of the bundled HSI. They also pointed to Comcast’s DTV promotional efforts, in which we offered consumers a bundle of free basic cable with the Economy HSI tier for a total cost of about \$25 per month for the first year.¹ We discussed various other efforts, such as packaging the HSI service with netbooks, selling the service through retail outlets such as Best Buy and Wal-Mart, and directly appealing to sports fans with marketing focused on access to sports-related content online.

Mr. Bowling further noted that the majority of new subscribers are upgrading from a slower DSL product or dial-up service to Comcast’s faster HSI service, and that a smaller number are completely new to broadband. With respect to this last category of consumers, Mr. Bowling and Mr. Hockenbury noted that there are a variety of reasons that subscribers that are new to broadband cite as the “trigger” for deciding to subscribe to our HSI service. For example, some of these consumers subscribe to HSI as part of a bundle after they acquire an HDTV, some have moved, and some have purchased a new PC. Finally, we noted that our most popular HSI product is the Performance tier, and that more people subscribe to our higher tiers of service than to the Economy tier.

With respect to customers who disconnect service, Mr. Bowling and Mr. Hockenbury noted that, based on surveys taken when Comcast follows up with these consumers, about half of these consumers have not replaced our broadband service with another broadband service. Many of these consumers cite the availability of high-speed Internet through other means, such as at work or school or via Wi-Fi hotspots, as the reason for their disconnection. Others simply have determined that dial-up meets their needs. A number of disconnecting subscribers cite the loss of a functioning computer as the reason for terminating their broadband service. Very few consumers cite price as the reason for disconnecting. In addition, Mr. Bowling and Mr. Hockenbury confirmed that the information we have available regarding broadband adoption in African-American and Hispanic communities is consistent with information that Pew Internet & American Life Project recently released showing that these communities tend to be wireless-centric and seem to find that the level of service they have with wireless devices suffices for their needs.

In response to questions about general usage of our HSI service, Mr. Bowling noted that the vast majority of HSI customers consume about five to seven gigabytes in any given month. Although there are some users who consume disproportionate amounts of data – some as much as five terabytes of data in a single month – these users constitute less than one percent of our total user base. He noted that the usage growth patterns on Comcast’s network are largely

¹ See Comcast Corp., *Were You Ready for the Digital Broadcast Transition?* (“With a Comcast bundle, get FREE limited Basic Cable for 12 months when you sign up for phone and/or Internet services, each for \$24.95 per month or more.”), at <http://www.comcast.com/dtv/default.html?INTCMP=ILCCOMCOMAL20644&fss=dtv> (last visited Sept. 18, 2009).

consistent with the publicly available estimates of about 40 percent per year.² In addition, he described Comcast's on-going deployment of DOCSIS 3.0 throughout our footprint, and noted that we have deployed DOCSIS 3.0 to almost 60 percent of our footprint today with a goal of deploying it to close to 80 percent of our footprint by year end 2009.³ Mr. Bowling also explained that DOCSIS 3.0 serves as a uniquely beneficial platform for application developers to build applications that take advantage of the next-generation speeds because it will be available throughout Comcast's footprint as well as the footprints of other cable operators.

Finally, in response to questions regarding the engineering of the network, Mr. Bowling explained that Comcast has over a decade's worth of experience in engineering its HSI network to meet its customers' demands and usage patterns. He noted that Comcast's network continues to provide an asymmetrical service because, for the vast majority of customers, upstream bandwidth usage is miniscule compared with downstream usage. In response to a question about actual versus advertised speeds, he reiterated that Comcast engineers its network to be able to deliver provisioned speeds on a regular basis, although he explained that there are certainly variables outside Comcast's control that may impact the experience of any individual customer. We noted that in the recent study performed by the United Kingdom's Office of Communications ("OfCom"), cable modem service fared better than DSL service in delivering the advertised speeds.⁴

² See, e.g., Cisco Sys., Inc., *Cisco Visual Networking Index: Forecast and Methodology, 2008-2013* (June 9, 2009) (concluding that over the next 4 years "IP traffic will grow at a compound annual growth rate (CAGR) of 40 percent"), available at http://www.cisco.com/en/US/solutions/collateral/ns341/ns525/ns537/ns705/ns827/white_paper_c11-481360.pdf; Univ. of Minn., *Minnesota Internet Traffic Studies*, at <http://www.dtc.umn.edu/mints/home.php> (last visited Sept. 21, 2009).

³ See Press Release, Comcast Corp., *Comcast Completes Launch of Extreme 50 MBPS High-Speed Internet Service in City of Philadelphia and Region* (July 22, 2009), available at <http://www.comcast.com/About/PressRelease/PressReleaseDetail.ashx?PRID=902>; see also CMCSA Q2 2009 Comcast Corporation Earnings Conference Call, Transcript, 2 (Aug. 6, 2009), available at <http://phx.corporate-ir.net/External.File?item=UGFyZW50SUQ9MTMxMTI8Q2hpbGRJR0tMXxUeXBIPtM=&t=1>.

⁴ See Ofcom, *UK Broadband Speeds 2009*, at 47 (July 28, 2009), available at http://www.ofcom.org.uk/research/telecoms/reports/broadband_speeds/broadband_speeds/broadbandspeeds.pdf.

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If you have any questions, please feel free to call me.

Sincerely,

/s/ David M. Don
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Senior Directory, Public Policy
Comcast Corporation

cc: Brian David
John Horrigan
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